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PUBLIC SERVICE

MISSION

VIA OVERNIGHT DELIVERY

May 9, 2005

Ms. Elizabeth O'Donnell Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602-0615

Re: The Application of The Union Light, Heat and Power Company for Approval of Fixed Bill Program Riders Applicable to Residential Customers
Case No. 2004-00503

Dear Ms. O'Donnell:

Enclosed please find an original and 12 copies of The Union Light, Heat and Power Company's Request to Re-open Procedural Schedule, which is being submitting for filing in the above-referenced case. Please return the two extra copies to me file-stamped in the enclosed overnight mail envelope.

If you have any questions, please feel free to contact me at (513) 287-3601.

Sincerely,

John J. Finnigan, Jr. Senior Counsel

JJF/sew

cc: Hon. Elizabeth E. Blackford (with enclosures)

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:)		MAY 1 0 2005
Application of The Union Light, Heat and Power Company for Approval of Fixed))	Case No. 2004-00503	PUBLIC SERVICE COMMISSION
Bill Program Riders Applicable to)		

REQUEST OF THE UNION LIGHT, HEAT AND POWER COMPANY TO RE-OPEN PROCEDURAL SCHEDULE

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The Union Light, Heat and Power Company ("ULH&P") respectfully requests that the Commission re-open the procedural schedule to allow ULH&P to submit additional information in support of its application. ULH&P's request is prompted by the Commission's May 4, 2005 Order in Case No. 2004-00330, where the Commission denied East Kentucky Power Cooperative, Inc.'s ("EKPC") request for approval of a fixed bill program.

In that case, EKPC proposed a fixed bill program because some customers were dissatisfied with the annual true-up feature of EKPC's budget billing plan. The Commission expressed concern that no customer survey or other analysis had been done to gauge the level of customer interest in a fixed bill program. Additionally, the Commission suggested that customers dissatisfied with an annual budget billing plan might be satisfied with other types of budget billing plans.

ULH&P's application significantly differs from EKPC's application because: (1) ULH&P will not be short on capacity after the three generating plants are transferred from CG&E; (2) ULH&P is a summer peaking electric utility and a winter peaking gas

Bill Program Riders Applicable to

Residential Customers.

utility; therefore, the Gulf Power study, which demonstrated that a fixed bill program causes no statistically significant increase in peak demand for a summer peaking electric utility, is relevant; (3) ULH&P proposes to account for its fixed bill program below-the-line; therefore the program will not impact non-fixed bill customers; (4) ULH&P is an investor-owned utility rather than a power cooperative; therefore, ULH&P has shareholders who can bear part of the costs of a fixed bill program; and (5) Cinergy did consumer research into fixed bill programs prior to proposing a fixed bill program, through the PSI employee pilot fixed bill program.

Even though there are significant differences between ULH&P's and EKPC's fixed bill programs, ULH&P sees merit in conducting additional consumer research.

ULH&P therefore requests that the Commission re-open the procedural schedule to provide the following:

ULH&P shall file additional consumer research into customer demand for fixed bill program and any additional new information no later than	6/15/05
Data requests to ULH&P directed to new information shall be served on all parties and filed with the Commission no later than	6/22/05
ULH&P shall file responses to data requests no later than	6/29/05
Additional written comments to be filed no later than	7/6/05

ULH&P submits that its request to re-open the procedural schedule is reasonable because it will allow ULH&P an opportunity to submit additional consumer research information and any other new additional information relating to its application. The level of the Commission's interest in consumer research relating to fixed bill proposals and alternative forms of budget billing plans was not apparent until the Commission

issued its May 4, 2005 Order in Case No. 2004-00330. It would be more efficient and economical for all parties for the Commission to allow ULH&P to submit this additional information now, rather than for the Commission to rule on this application, then for ULH&P to re-file the application, if the Commission happens to deny the pending application based on inadequate support for ULH&P's fixed bill proposal. Based on the foregoing, ULH&P respectfully requests that the Commission re-open the procedural schedule as requested herein.

THE UNION LIGHT, HEAT AND

POWER COMPANY

John J. Finnigan, Jr.

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Senior Counsel

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CERTIFICATE OF SERVICE

I hereby give notice that on this _____th day of May, 2005, I have served a copy of the foregoing Request of The Union Light, Heat And Power Company to Re-Open Procedural Schedule by hand delivery or overnight mail, postage prepaid to the parties listed below.

John J. Finnigan, Jr.

Elizabeth E. Blackford Assistant Attorney General 1024 Capital Center Drive Frankfort, Kentucky 40601